

1 7X. Moreover, translating ARMIS data into DS-0 equivalent lines, as Kahn and Taylor have
2 done, results in a flawed analysis. It is highly likely that the higher-capacity special access
3 services, at the US-3 and OCn levels, have experienced disproportionately greater growth than
4 low-capacity DS-0 and DS-1 services. Since the effective price per DS-0 equivalent channel is
5 lower in these higher capacity services, their likely disproportionate growth readily explains the
6 apparent drop in LIS-0 equivalent price levels (revenue per line). The more appropriate
7 comparison, of course, is a like-for-like price change for the *same* capacity service. And as
8 Tables 1 through 4 above clearly demonstrate, those prices in areas subject to Phase 11 pricing
9 flexibility have been on the rise over the period since pricing flexibility became effective.

10
11 **Performance data reported under ARMIS shows** continuing problems in special access
12 service quality.
13

14 79. Finally, in their declaration, Kahn and Taylor take issue with AT&T's observation that
15 the RBOCs are not being constrained by competition to improve the quality of their special
16 access services provisioning.¹²⁶ In particular, they claim that ARMIS data show a steady
17 improvement in RBOC special access service provisioning between 1996 and 2001. Kahn and
18 Taylor's analysis appears to be based on trouble reports per voice grade equivalent line, which
19 means that the successful provisioning of an order involving one OCn circuit offsets many
20 unsuccessful provisionings of lower bandwidth special access lines. A more realistic picture can
21 be obtained by looking at trouble reports for special access service based on the "total number of
22 orders or circuits," as shown in ARMIS report 43-05. When these data is analyzed, the picture
23 of consistent improvement presented by Kahn and Taylor evaporates. As shown in the attached
24 table (Attachment 2 to this Declaration), some RBOCs have done better than others. However,
25 Ameritech, which reports by far the best performance, reports an anomalously high number of
26 "orders or circuits" for the 2000 to 2001 period (three to four times as many as in the four prior

126. Kahn/Taylor Decl., at 16-17.

1 years), which could account, at least in part, for the apparent improvement in its trouble report
2 percentages. Without these recent Ameritech numbers, **RBOC** trouble reports as a percentage of
3 orders or circuits rose substantially from 1998 to 2001. In any event, even a consistent record of
4 having trouble reports on more than half of all orders is hardly a commendable performance and
5 is consistent with the conclusion presented by Ordoover and Willig that the RBOCs are not
6 constrained by competitive forces with respect to their service quality for special access services.
7

1 The foregoing statements are true and correct to the best of my knowledge and information
2 I believe.

3
4 

5
6 _____
LEE L. SELWYN

Attachment 1

Statement of Qualifications

Statement of Qualifications

DR. LEE L. SELWYN

Dr. Lee L. Selwyn has been actively involved in the telecommunications field for more than twenty-five years, and is an internationally recognized authority on telecommunications regulation, economics and public policy. Dr. Selwyn founded the firm of Economics and Technology, Inc. in 1972, and has served as its President since ~~that~~ date. He received his Ph.D. degree from the Alfred P. Sloan School of Management at the Massachusetts Institute of Technology. He also holds a Master of Science degree in Industrial Management from MIT and a Bachelor of Arts degree with honors in Economics from Queens College of the City University of New York.

Dr. Selwyn has testified as an expert on rate design, service cost analysis, form of regulation, and other telecommunications policy issues in telecommunications regulatory proceedings before some forty state commissions, the Federal Communications Commission and the Canadian Radio-television and Telecommunications Commission, among others. He has appeared as a witness on behalf of commercial organizations, non-profit institutions, as well as local, state and federal government authorities responsible for telecommunications regulation and consumer advocacy.

He has served or is now serving as a consultant to numerous state utilities commissions including those in Arizona, Minnesota, Kansas, Kentucky, the District of Columbia, Connecticut, California, Delaware, Maine, Massachusetts, New Hampshire, Vermont, New Mexico, Wisconsin and Washington State, the Office of Telecommunications Policy (Executive Office of the President), the National Telecommunications and Information Administration, the Federal Communications Commission, the Canadian Radio-television and Telecommunications Commission, the United Kingdom Office of Telecommunications, and the Secretaria de Comunicaciones y Transportes of the Republic of Mexico. He has also served as an advisor on telecommunications regulatory matters to the International Communications Association and the Ad Hoc Telecommunications Users Committee, as well as to a number of major corporate telecommunications users, information services providers, paging and cellular carriers, and specialized access services carriers.

Dr. Selwyn has presented testimony as an invited witness before the U.S. House of Representatives Subcommittee on Telecommunications, Consumer Protection and Finance and before the U.S. Senate Judiciary Committee, on subjects dealing with restructuring and deregulation of portions of the telecommunications industry.

In 1970, he was awarded a Post-Doctoral Research Grant in Public Utility Economics under a program sponsored by the American Telephone and Telegraph Company, to conduct research on the economic effects of telephone rate structures upon the computer time sharing industry. This work was conducted at Harvard University's Program on Technology and Society, where he was appointed as a Research Associate. Dr. Selwyn was also a member of the faculty at the College of Business Administration at Boston University from 1968 until 1973, where he taught courses in economics, finance and management information systems.

Dr. Selwyn has published numerous papers **and** articles in professional and trade journals on the subject of telecommunications service regulation, cost methodology, rate design and pricing policy. These have included:

"Taxes, Corporate Financial Policy and Return to Investors"
National Tax Journal, Vol. XX, No.4, December 1967.

"Pricing Telephone Terminal Equipment Under Competition"
Public Utilities Fortnightly, December 8, 1977.

"Deregulation, Competition, and Regulatory Responsibility in the
Telecommunications Industry"
*Presented at the 1979 Rare Symposium on Problems of Regulated Industries -
Sponsored by: The American University, Foster Associates, Inc., Missouri
Public Service Commission, University of Missouri-Columbia, Kansas City,
MO, February 11 - 14, 1979.*

"Sifting Out the Economic Costs of Terminal Equipment Services"
Telephone Engineer and Management, October 15, 1979.

"Usage-Sensitive Pricing" (with G. F. Borton)
(a three part series)
Telephony, January 7, 28, February 11, 1980.

"Perspectives on Usage-Sensitive Pricing"
Public Utilities Fortnightly, May 7, 1981

"Diversification, Deregulation, and Increased Uncertainty in the Public Utility
Industries"
*Comments Presented at the Thirteenth Annual Conference of the Institute of
Public Utilities*, Williamsburg, VA - December 14 - 16, 1981.

"Local Telephone Pricing: Is There a Better Way?; The Costs of LMS Exceed
its Benefits: a Report on Recent U.S. Experience."
*Proceedings of a conference held at Montreal, Quebec - Sponsored by
Canadian Radio-Television and Telecommunications Commission and The
Centre for the Study of Regulated Industries, McGill University, May 2 - 4,
1984.*

"Long-Run Regulation of AT&T: A Key Element of A Competitive
Telecommunications Policy"
Telematics, August 1984.

"Is Equal Access an Adequate Justification for Removing Restrictions on BOC Diversification?"

Presented at the Institute of Public Utilities Eighteenth Annual Conference, Williamsburg, VA - December 8 - 10, 1986.

"Market Power and Competition Under an Equal Access Environment"

Presented at the Sixteenth Annual Conference, "Impact of Deregulation and Market Forces on Public Utilities: The Future Role of Regulation" Institute of Public Utilities, Michigan State University, Williamsburg, VA - December 3 - 5, 1987.

"Contestable Markets: Theory vs. Fact"

Presented at the Conference on Current Issues in Telephone Regulations: Dominance and Cost Allocation in Interexchange Markets - Center for Legal and Regulatory Studies Department of Management Science and Information Systems - Graduate School of Business, University of Texas at Austin, October 5, 1987.

"The Sources and Exercise of Market Power in the Market for Interexchange Telecommunications Services"

Presented at the Nineteenth Annual Conference - "Alternatives to Traditional Regulation: Options for Reform" - Institute of Public Utilities, Michigan State University, Williamsburg, VA, December, 1987.

"Assessing Market Power and Competition in The Telecommunications Industry: Toward an Empirical Foundation for Regulatory Reform"

Federal Communications Law Journal, Vol. 40 Num. 2, April 1988.

"A Perspective on Price Caps as a Substitute for Traditional Revenue Requirements Regulation"

Presented at the Twentieth Annual Conference - "New Regulatory Concepts, Issues and Controversies" - Institute of Public Utilities, Michigan State University, Williamsburg, VA, December, 1988.

"The Sustainability of Competition in Light of New Technologies" (with D. N. Townsend and P. D. Kravtin)

Presented at the Twentieth Annual Conference - Institute of Public Utilities Michigan State University, Williamsburg, VA, December, 1988.

"Adapting Telecom Regulation to Industry Change: Promoting Development Without Compromising Ratepayer Protection" (with S. C. Lundquist)

IEEE Communications Magazine, January, 1989.

"The Role of Cost Based Pricing of Telecommunications Services in the Age of Technology and Competition"

Presented at National Regulatory Research Institute Conference, Seattle, July 20, 1990.

"A Public Good/Private Good Framework for Identifying POTS Objectives for the Public Switched Network" (with Patricia D. Kravtin and Paul S. Keller)

Columbus, Ohio: *National Regulatory Research Institute*, September 1991

"Telecommunications Regulation and Infrastructure Development: Alternative Models for the Public/Private Partnership"

Prepared for the Economic Symposium of the International Telecommunications Union Europe Telecom '92 Conference, Budapest, Hungary, October 15, 1992.

"Efficient Infrastructure Development and the Local Telephone Company's Role in Competitive Industry Environment" *Presented at the Twenty-Fourth Annual Conference, Institute of Public Utilities, Graduate School of Business, Michigan State University, "Shifting Boundaries between Regulation and Competition in Telecommunications and Energy", Williamsburg, VA, December 1992.*

"Measurement of Telecommunications Productivity: Methods, Applications and Limitations" (with Françoise M. Clottes)

Presented at Organisation for Economic Cooperation and Development, Working Party on Telecommunication and Information Services Policies, '93 Conference "Defining Performance Indicators for Competitive Telecommunications Markets", Paris, France, February 8-9, 1993.

"Telecommunications Investment and Economic Development: Achieving efficiency and balance among competing public policy and stakeholder interests"

Presented at the 105th Annual Convention and Regulatory Symposium, National Association of Regulatory Utility Commissioners, New York. November 18, 1993.

"The Potential for Competition in the Market for Local Telephone Services" (with David N. Townsend and Paul S. Keller)

Presented at the Organization for Economic Cooperation and Development Workshop on Telecommunication Infrastructure Competition, December 6-7, 1993.

"Market Failure in Open Telecommunications Networks: **Defining** the new natural monopoly," *Utilities Policy*, Vol. 4, No. 1, January 1994.

The Enduring Local Bottleneck: Monopoly Power and the Local Exchange Carriers, (with Susan **M.** Gately, et al) a report prepared by **ETI** and Hatfield Associates, Inc. for AT&T, **MCI** and CompTel, February 1994.

Commercially Feasible Resale of Local Telecommunications Services: An Essential Step in the Transition to Effective Local Competition, (Susan **M** Gately, et al) a report prepared by **ETI** for AT&T, July 1995.

"Efficient Public Investment in Telecommunications Infrastructure"
Land Economics, Vol 71, No.3, August 1995.

Funding Universal Service: Maximizing Penetration and Efficiency in a Competitive Local Service Environment, Lee L. Selwyn with Susan M. Baldwin, under the direction of Donald Shephard, A Time Warner Communications Policy White Paper, September 1995.

Stranded Investment and the New Regulatory Bargain, Lee L. Selwyn with Susan **M.** Baldwin, under the direction of Donald Shephard. A Time Warner Communications Policy White Paper, September 1995

"Market Failure in Open Telecommunications Networks: Defining the new natural monopoly," in *Networks, Infrastructure, and the New Task for Regulation*, by Werner Sichel and **Donal L.** Alexander, eds., University of Michigan Press, 1996.

Establishing Effective Local Exchange Competition: A Recommended Approach Based Upon an Analysis of the United States Experience, Lee **L.** Selwyn, paper prepared for the Canadian Cable Television Association and filed as evidence in Telecom Public Notice CRTC 95-96, Local Interconnection and Network Component, January 26, 1996.

The Cost of Universal Service, A Critical Assessment of the Benchmark Cost Model, Susan M. Baldwin with Lee L. Selwyn, a report prepared by Economics and Technology, Inc. on behalf of the National Cable Television Association and submitted with Comments iii FCC Docket No. CC-96-45, April 1996.

Economic Considerations in the Evaluation of Alternative Digital Television Proposals, Lee L. Selwyn (as Economic Consultant), paper prepared for the Computer Industry Coalition on Advanced Television Service, filed with comments in FCC MM Docket No. 87-268, In the Matter of Advanced Television Systems and Their Impact Upon the Existing Television Broadcast Service, July 11, 1996.

Assessing Incumbent LEC Claims to Special Revenue Recovery Mechanisms: Revenue opportunities, marker assessments, and further empirical analysis of the "Gap" between embedded and forward-looking costs, Patricia D. Kravtin and Lee L. Selwyn, In the Matter of Access Charge Reform, in CC Docket No. 96-262, January 29, 1997.

*The Use of Forward-Looking **Economic** Cost Proxy Models*, Susan M. Baldwin and Lee L. Selwyn, Economics and Technology, Inc., February 1997.

The Effect of Internet Use On The Nation's Telephone Network, Lee L. Selwyn and Joseph W. Laszlo, a report prepared for the Internet Access Coalition, July 22, 1997.

Regulatory Treatment of ILEC Operations Support Systems Costs, Lee L. Selwyn, Economics and Technology, Inc., September 1997.

The "Connecticut Experience" with Telecommunications Competition: A Case in Getting it Wrong, Lee L. Selwyn, Helen E. Golding and Susan M. Gately, Economics and Technology, Inc., February 1998.

Where Have All The Numbers Gone?: Long-term Area Code Relief Policies and the Need for Short-term Reform, prepared by Economics and Technology, Inc. for the Ad Hoc Telecommunications Users Committee, International Communications Association, March 1998, second edition, June 2000.

Broken Promises: A Review of Bell Atlantic-Pennsylvania's Performance Under Chapter 30, Lee L. Selwyn, Sonia N. Jorge and Patricia D. Kravtin, Economics and Technology, Inc., June 1998.

Building A Broadband America: The Competitive Keys to the Future of the Internet, Lee L. Selwyn, Patricia D. Kravtin and Scott A. Coleman, a report prepared for the Competitive Broadband Coalition, May 1999.

Bringing Broadband to Rural America: Investment and Innovation In the Wake of the Telecom Act, Lee L. Selwyn, Scott C. Lundquist and Scott A. Coleman, a report prepared for the Competitive Broadband Coalition, September 1999.

Bringing Local Telephone Competition to Massachusetts, Lee L. Selwyn and Helen E. Golding, prepared for The Massachusetts Coalition for Competitive Phone Service, January 2000.

Subsidizing the Bell Monopolies: How Government Welfare Programs are Undermining Telecommunications Competition, Lee L. Selwyn, April 2002.

Dr. Selwyn has been an invited speaker at numerous seminars and conferences on telecommunications regulation and policy, including meetings and workshops sponsored by the National Telecommunications and Information Administration, the National Association of Regulatory Utility Commissioners, the U.S. General Services Administration, the Institute of Public Utilities at Michigan State University, the National Regulatory Research Institute at Ohio State University, the Harvard University Program on Information Resources Policy, the Columbia University Institute for Tele-Information, the International Communications Association, the Tele-Communications Association, the Western Conference of Public Service Commissioners, at the New England, Mid-America, Southern and Western regional PUC/PSC conferences, as well as at numerous conferences and workshops sponsored by individual regulatory agencies.

Attachment 2

Installation and Repair Intervals (Interexchange Access) — Annual

43-05: Table Ia Installation and Repair Intervals (Interexchange Acc.) - Annual

Company Name	Row Title	All Special Access					
		1996	1997	1998	1999	2000	2001
BELLSOUTH	# Total Number of Orders or Circuits	86,000	106,649	145,185	127,801	178,631	194,276
BELLSOUTH	# Missed for Customer Reasons (MCR)		0	34,981	28,175	34,877	41,854
BELLSOUTH	% Commitments Met	89.18	88.46	85.14	85.12	89.66	96.27
BELLSOUTH	Average Interval (in days)	13.2	14	14.8	15.9	16.3	17.5
BELLSOUTH	# Total Trouble Reports	68,849	69,643	77,198	80,155	97,705	130,805
BELLSOUTH	% Trouble Reports	80%	65%	53%	63%	55%	67%
BELLSOUTH	Average Interval (in hours)	3.3	3.3	3.7	4.4	4.6	3.4
QWEST	# Total Number of Orders or Circuits	99,684	162,381	212,043	178,794	178,187	129,566
QWEST	# Missed for Customer Reasons (MCR)		0	27,537	70,210	87,796	60,660
QWEST	% Commitments Met	79.51	81.94	88.65	83.97	90.71	95.03
QWEST	Average Interval (in days)	14.2	20.8	22.8	23.6	21.9	15.4
QWEST	# Total Trouble Reports	89,302	96,531	95,603	111,773	120,439	120,756
QWEST	% Trouble Reports	89%	59%	45%	63%	68%	93%
QWEST	Average Interval (in hours)	5.2	3.4	4.6	4.4	3.4	2.7
SOUTHWESTERN	# Total Number of Orders or Circuits	50,727	62,966	56,419	43,594	34,917	136,614
SOUTHWESTERN	# Missed for Customer Reasons (MCR)		0	9,004	8,975	7,200	22,784
SOUTHWESTERN	% Commitments Met	80.9	80.1	97.41	97.02	94.32	86.84
SOUTHWESTERN	Average Interval (in days)	0	0	0	0	0	13.9
SOUTHWESTERN	# Total Trouble Reports	68,576	65,514	93,092	91,822	122,473	151,224
SOUTHWESTERN	% Trouble Reports	135%	104%	165%	211%	351%	111%
SOUTHWESTERN	Average Interval (in hours)	2.1	2.1	2.2	2.7	2.6	4.7
PACIFIC TELESIS	# Total Number of Orders or Circuits	58,419	66,370	59,142	135,676	80,737	90,032
PACIFIC TELESIS	# Missed for Customer Reasons (MCR)		0	15,127	24,078	16,795	13,895
PACIFIC TELESIS	% Commitments Met	93.63	89.4	89.31	74.68	69.53	74.63
PACIFIC TELESIS	Average Interval (in days)	22.6	20.8	20.1	22.3	37.3	20.7
PACIFIC TELESIS	# Total Trouble Reports	63,809	46,055	26,488	104,420	59,015	69,134
PACIFIC TELESIS	% Trouble Reports	109%	69%	45%	77%	73%	77%
PACIFIC TELESIS	Average Interval (in hours)	4.7	5	4.6	4.3	4.5	3.9
AMERITECH	# Total Number of Orders or Circuits	73,555	80,653	113,889	132,578	544,774	612,019
AMERITECH	# Missed for Customer Reasons (MCR)			21,919	20,257	36,386	26,294
AMERITECH	% Commitments Met	87.9	92.5	93.91	93.61	88.01	92.18
AMERITECH	Average Interval (in days)	19	13.1	14.6	15.7	15.6	15.3
AMERITECH	# Total Trouble Reports	41,196	40,314	40,907	31,548	28,633	64,533
AMERITECH	% Trouble Reports	56%	50%	36%	24%	5%	11%
AMERITECH	Average Interval (in hours)	3.7	3.1	3.1	3	2.9	5.8
BELL ATLANTIC	# Total Number of Orders or Circuits	73,660	246,767	236,655	208,399	206,146	207,098
BELL ATLANTIC	# Missed for Customer Reasons (MCR)		12,090	53,606	50,338	48,357	49,028
BELL ATLANTIC	% Commitments Met	77.53	96.53	94.45	84.71	82	81.19
BELL ATLANTIC	Average Interval (in days)	29.2	13	20.5	17.7	23.6	15.6
BELL ATLANTIC	# Total Trouble Reports	22,293	113,267	80,461	94,454	89,218	142,218
BELL ATLANTIC	% Trouble Reports	30%	46%	34%	45%	43%	69%
BELL ATLANTIC	Average Interval (in hours)	10.7	2.6	2.8	4.1	5.1	6
GTE CORP.	# Total Number of Orders or Circuits	57,376	60,495	47,972	56,157	65,916	83,314
GTE CORP.	# Missed for Customer Reasons (MCR)		0	16,980	28,706	22,049	13,214
GTE CORP.	% Commitments Met	92.26	89.7	89.55	90.26	84.35	96.01
GTE CORP.	Average Interval (in days)	11.52	13	21.1	21.3	28.3	22.7
GTE CORP.	# Total Trouble Reports	67,702	70,406	75,550	79,870	81,840	124,714
GTE CORP.	% Trouble Reports	118%	116%	157%	142%	124%	150%
GTE CORP.	Average Interval (in hours)	9	7	7.9	8.4	10.2	9.2
TOTAL RBOC	# Total Number of Orders or Circuits	499,621	786,281	871,305	882,999	1,289,308	1,452,919
TOTAL RBOC	# Special Access Lines	22,067,774	26,260,133	33,999,156	48,708,169	65,481,767	79,470,270
TOTAL RBOC	# Total Trouble Reports	421,727	501,730	489,299	594,042	599,323	803,384
TOTAL RBOC	% Trouble Reports/Orders or Circuits	84%	64%	56%	67%	46%	55%
TOTAL RBOC	% Trouble Reports/Lines	1.91%	1.91%	1.44%	1.22%	0.92%	1.01%
TOTAL RBOC WITHOUT AMERITECH:							
	# Total Number of Orders or Circuits	426,066	705,628	757,416	750,421	744,534	840,900
	# Total Trouble Reports	380,531	461,416	448,392	562,494	570,690	738,851
	% Trouble Reports	89%	65%	59%	75%	77%	88%

Wholesale Revenue Profile

Over \$9B in 2002 revenue

**Special
Access**

36.1%
(\$3.25B)

Billing

2.3%
(\$0.2B)

International

5.5%
(\$0.50B)

Resale /

Collocation

13.9%
(\$1.25B)

Unbundled

Elements

16.7%
(\$1.50B)

Lower

ATTACHMENT 4

**MSAs With Full Pricing Flexibility for Special Access
(Phase II Flexibility)**

AKRON OH
ALBUQUERQUE NM
ANCHORAGE AK
AUSTIN-SAN MARCOS TX
BELLINGHAM WA
BINGHAMTON NY
BOISE CITY ID
CHAMPAIGN-URBANA IL
CHARLESTON WV
COLORADO SPRINGS CO
CORPUS CHRISTI TX
DAVENPORT-MOLINE-ROCK ISLAND(IA-IL) - IA
DECATUR IL
DES MOINES IA
DOVER DE
DUBUQUE IA
EUGENE-SPRINGFIELD OR
FARGO-MOORHEAD(ND-MN) - MN
FARGO-MOORHEAD(ND-MN) - ND
FLINT MI
FORT WAYNE IN
GRAND RAPIDS-MUSKEGON.HOLLAND MI
HAGERSTOWN MD
HOUSTON TX
IOWA CITY(IA)
KANSAS CITY (MO-KS) - KS
KANSAS CITY (MO-KS) - MO
LITTLE ROCK-NORTH LITTLE ROCK AR
LYNCHBURG(VA)
MADISON WI
MEDFORD-ASHLAND OR
MEDFORD-ASHLAND(OR)

MILWAUKEE-WAUKESHA WI
NEWARK NJ
NORFOLK-VIRGINIA BEACH-NEWPORT NEWS (VA-NC) .VA
OKLAHOMA CITY OK
OLYMPIA WA
OMAHA (NE-IA) .NE
OMAHA(NE-IA) - IA
PARKERSBURG-MARIETTA(WV-OH) .WV
PHOENIX-MESA AZ
PORTLAND-VANCOUVER (OR-WA) - WA
PORTLAND-VANCOUVER (OR-WA) -OR
READING(PA)
RICHMOND-PETERSBURG VA
ROANOKE(VA)
ROCHESTER(MN)
ROCKFORD(IL)
SALT LAKE CITY-OGDEN UT
SAN ANGELO(TX)
SAN ANTONIO TX
SAN JOSE CA
SPOKANE WA
SPRINGFIELD IL
ST. CLOUD(MN)
ST. LOUIS (MO-IL) - MO
STAMFORD-NORWALK CT
TOPEKA KS
TULSA(OK)
VINELAND-MILLVILLE-BRIDGETON(NJ)
WILLIAMSPORT PA
WILMINGTON-NEWARK (DE-MD) .DE
WILMINGTON-NEWARK(DE-MD) .MD
YAKIMA(WA)

MSAs with Partial Pricing Flexibility for Special Access (Phase I)

ALBANY-SCHENECTADY-TROY NY
 ALLENTOWN-BETHLEHEM-EASTON PA
 ALTOONA(PA)
 AMARILLO TX
 ATLANTA GA
 BALTIMORE MD
 BATON ROUGE(LA)
 BILOXI-GULFPORT-PASCAGOULA(MS)
 BOSTON (MA-NH) - MA
 BOSTON(MA-NH) - NH
 BRIDGEPORT CT
 BUFFALO-NIAGARA FALLS NY
 BURLINGTON(VT)
 CHARLOTTE-GASTONIA-ROCK HILL (NC-SC) - NC
 CHATTANOOGA (TN-GA) - TN
 CHICAGO IL
 CINCINNATI (OH-KY-IN)- OH
 COLUMBUS OH
 DALLAS TX
 DAYTONA BEACH(FL)
 DAYTON-SPRINGFIELD OH
 DENVER CO
 DETROIT MI

ERIE(PA)
 EVANSVILLE-HENDERSON(IN-KY)- IN
 FORT COLLINS-LOVELAND(CO)
 FORT WORTH-ARLINGTON TX
 GAINESVILLE FL
 GREELEY(CO)
 GREENSBORO--WINSTON-SALEM--HIGH POINT NC
 HARRISBURG-LEBANON-CARLISLE(PA)
 HARTFORD CT
 HONOLULU HI
 HUNTINGTON-ASHLAND(WV-KY-OH) - WV
 INDIANAPOLIS IN
 JACKSON(MS)
 JACKSONVILLE FL
 KALAMAZOO-BATTLE CREEK MI
 KNOXVILLE TN
 LAKE CHARLES(LA)
 LAKELAND-WINTER HAVEN FL
 LANCASTER(PA)
 LOS ANGELES-LONG BEACH CA
 LOUISVILLE (KY-IN)- KY
 LUBBOCK(TX)
 MANCHESTER (NH) .NH

MELBOURNE-TITUSVILLE-PALM BAY FL
 MEMPHIS (TN-AR-MS) - TN
 MIAMI FL
 MINNEAPOLIS-ST. PAUL (MN-WI) - MN
 MONROEVILLE(AL)

NASHVILLE TN
 NEW YORK NY
 NORFOLK-VIRGINIA BEACH-NEWPORT NEWS(VA-NC) NC
 PENNSACOLA(FL)

PHILADELPHIA (PA-NJ) - NJ
 PHILADELPHIA (PA-NJ) -PA
 PITTSBURGH PA
 PORTLAND(ME)
 PORTSMOUTH-ROCHESTER (NH-ME) -NH
 PORTSMOUTH-ROCHESTER(NH-ME) .ME
 PROVIDENCE-FALL RIVER-WARWICK (RI-MA) -RI

PUEBLO(CO)
 RALEIGH-DURHAM-CHAPEL HILL(NC)
 SACRAMENTO CA
 SALEM OR

**MSAs with Partial Pricing Flexibility for Special Access
(Phase I)**

SAN DIEGO CA
SAN FRANCISCO CA
SANTA BARBARA-SANTA MARIA-LOMPOC(CA)
SARASOTA-BRADENTON FL
SAVANNAH(GA)
SCRANTON--WILKES-BARRE--HAZLETON(PA)
SEATTLE-BELLEVUE-EVERETT WA
SHREVEPORT-BOSSIER CITY(LA)
SIOUX CITY IA-NE
SIOUX CITY(IA-NE) .NE
SPRINGFIELD MA
SPRINGFIELD MO
STATE COLLEGE(PA)
SYRACUSE(NY)
TACOMA WA
TAMPA-ST. PETERSBURG-CLEARWATER FL
TOLEDO OH
TUCSON AZ
WASHINGTON (DC-MD-VA-WV) - VA
WASHINGTON (DC-MD-VA-WV) -MD
WASHINGTON DC-MD-VA-WV .DC PROPER
WATERLOO-CEDAR FALLS(IA)
WEST PALM BEACH-BOCA RATON FL
WILMINGTON NC
WORCESTER(MA-CT) - MA

MSAs Without Pricing Flexibility

KENOSHA WI
KILLEEN-TEMPLE(TX)
KOKOMO(IN)
LA CROSSE(WI-MN)
LAFAYETTE LA
LAFAYETTE(IN)
LANSING-EAST LANSING MI
LAREDO(TX)
LAS CRUCES(NM)
LAS VEGAS NV-AZ
LAWRENCE MA-NH
LAWRENCE(KS)
LAWTON(OK)
LEWISTON-AUBURN(ME)
LEXINGTON KY
LIMA OH
LINCOLN(NE)
LONGVIEW-MARSHALL TX
LOUISVILLE(KY-IN)
LOWELL MA-NH
MACON GA
MANSFIELD(OH)
MCALLEN-EDINBURG-MISSION(TX)
MEMPHIS TN-AR-MS
MERCED(CA)
MIDDLESEX-SOMERSET-HUNTERDON NJ
MINNEAPOLIS-ST. PAUL(MN-WI)
MOBILE AL
MODESTO CA
MONMOUTH-OCEAN NJ
MUNCIE(IN)
MYRTLE BEACH(SC)
NAPLES(FL)
NASHUA NH
NASSAU-SUFFOLK NY
NEW BEDFORD(MA)
NEW HAVEN-MERIDEN CT
NEW LONDON-NORWICH(CT-RI)
NEW ORLEANS(LA)
NEWBURGH(NY-PA)
OAKLAND CA

OCALA(FL)
ODESSA-MIDLAND(TX)
ORANGE COUNTY CA
OWENSBORO(KY)
PANAMA CITY(FL)
PARKERSBURG-MARIETTA(WV-OH)
PEORIA-PEKIN(IL)
PINE BLUFF(AR)
PITTSFIELD(MA)
POCATELLO(ID)
PROVIDENCE-FALL RIVER-WARWICK(RI-MA)
PUNTA GORDA(FL)
RACINE WI
RAPID CITY(SD)
REDDING(CA)
RENO NV
RICHLAND-KENNEWICK-PASCO(WA)
RIVERSIDE-SAN BERNARDINO CA
ROCHESTER NY
ROCKY MOUNT(NC)
SAGINAW-BAY CITY-MIDLAND MI
SALEM(OR)
SALINAS CA
SAN LUIS OBISPO-ATASCADERO-PASO ROBLES(CA)
SANTA CRUZ-WATSONVILLE(CA)
SANTA FE(NM)
SANTA ROSA CA
SAVANNAH(GA)
SHARON(PA)
SHEBOYGAN(WI)
SHERMAN-DENISON(TX)
SIOUX CITY(IA-NE)
SIOUX FALLS(SD)
SOUTH BEND IN
SPOKANE(WA)
ST. JOSEPH(MO)
ST. LOUIS MO-IL
STEUBENVILLE-WEIRTON OH-WV
STOCKTON-LODI CA
SUMTER(SC)
TALLAHASSEE FL

TERRE HAUTE IN
TEXARKANA(TX-AR)
TRENTON NJ
TUSCALOOSA(AL)
TYLER(TX)
UTICA-ROME(NY)
VALLEJO-FAIRFIELD-NAPA CA
VENTURA(CA)
VICTORIA(TX)
VISALIA-TULARE-PORTERVILLE(CA)
WACO TX
WASHINGTON(DC-MD-VA-WV)
WATERBURY CT
WAUSAU(WI)
WHEELING WV-OH
WICHITA FALLS(TX)
WICHITA KS
YOLO(CA)
YORK(PA)
YOUNGSTOWN-WARREN OH
YUBA CITY(CA)
YUMA(AZ)